

DANE MENTE CHILL OF STATE

JOHN W. FLITTER
DIRECTOR
ELECTRIC & GAS REGULATION

April 19, 2010

VIA ELECTRONIC FILING

Jocelyn G. Boyd
Interim Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re:

Application of Duke Energy Carolinas, LLC for Approval of Experimental Tariff Covering a New PowerShare CallOption Nonresidential Load Curtailment Program

Docket No. 2010-52-E

Dear Ms. Boyd:

The Office of Regulatory Staff ("ORS") has reviewed the above-referenced filing and has no objection to the Application of Duke Energy Carolinas ("Duke Energy") for approval to amend the currently effective tariff for the PowerShare CallOption Nonresidential Load Curtailment Program. This amendment modifies the language in the tariff to clarify how the calculations are handled. The proposed language of "Determination of Credits" is as follows:

Under the Firm Demand option, the Option Load is defined as the average of 1) for non-event hours, the actual load less the Firm Demand for each hourly interval in the Exposure Period, but not less than zero, and 2) for event hours, the Proforma Demand less the Firm Demand for each hourly interval in the Exposure Period, but not less than zero.

Under the Fixed Demand Reduction option, the Option Load is defined as the average of 1) for non-event hours, the lesser of the Fixed Demand Reduction value or the actual load for each hourly interval in the Exposure Period, and 2) for event hours, the lesser of the Fixed Demand Reduction or the Proforma Demand for each hourly interval in the Exposure Period.

Duke Energy will make the comparison between actual load and the Fixed Demand Reduction on an hourly basis (taking the lower of the two). The original wording could have been misinterpreted and was changed to parallel the Fixed Demand Reduction language.

(Continued...)

Thank you for the opportunity to provide comments in this matter.

Sincerely,

John W. Flitter

JWF/sh

cc: Dan F. Arnett, Chief of Staff, SC ORS

Nanette Edwards, Chief Counsel and Director of Legal Services, SC ORS

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Bonnie D. Shealy, Esquire, Robinson, McFadden & Moore, P.C. for Duke Energy Carolinas

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